

## Commercial Culture Online

Because teens are such avid users of new technologies, and because they represent a growing economic force, content and services designed to capture their attention have proliferated on the Web. Judging from industry surveys, many of these sites enjoy widespread popularity. For example, according to Nielsen/Net Ratings, Web sites designed specifically for teens top the list of sites visited by youth ages 12 to 17.<sup>41</sup> In addition, a handful of teen sites have made their mark on overall Web site audience lists. In January 2001, Snowball.com, a Web-based network comprising a series of teen sites, ranked thirty-fifth among the top 50 digital media/Web properties in the U.S., with over 7.8 million unique visitors.<sup>42</sup> While the economic downturn in the digital sector has claimed some casualties in the teen online market, most have survived by laying off portions of their staff and making adjustments in their business plans.<sup>43</sup>

The creators of this online commercial teen culture include both the familiar and established media conglomerates as well as new Internet start-up companies. Stressing interactivity, communications, and creative new marketing practices, these sites offer a preview of cultural trends that will soon become a part of the mainstream media. A quick surf through some of the most popular teen destinations provides a glimpse of varied content and services:

- **America Online** (now AOL Time Warner following its merger with the media giant) is far and away the largest commercial presence on the Internet, with over 29 million members worldwide. According to Jupiter Media Metrix, AOL-TW accounted for nearly a third of all time spent online in the U.S. in January 2001.<sup>44</sup> Half of AOL's member households have children between the ages of 2 and 17, whose attraction to AOL's offerings should only increase with the addition of Time Warner's *Teen People*, WB Network, and the vast Warner Music Group.
- **MTV**, the popular teen cable network, has created an interactive media experience for viewers of their network and users of their Web sites (which include MTV.com, VH1.com, and Sonicnet.com). Reaching nearly 5 million users a month, the sites allow visitors to watch music videos online, to vote for the videos



that will be subsequently aired on various cable programs, and to link to a variety of MTV branded Web “radio” stations that play popular music featured on MTV, TRL, and MTV2.<sup>45</sup>



- **Snowball**, referring to itself as a “vibrant self-empowered community,” is an Internet media property that currently comprises five Web networks (ChickClick, HighSchoolAlumni.com, IGN.com, SnowballShopping.com, and Under The Helmet) and over 185 affiliated content sites.<sup>46</sup> Drawing over 7 million visitors per month, the Snowball Network combines content from affiliated and network sites to offer online programming specifically created to target the 12- to 29-year-old audience.<sup>47</sup>



- **SmartGirl.com** describes itself as a “a one-stop entertainment, information and shopping destination written by teenage girls, for teenage girls.” But while it professes to “create a place on the Internet where girls can feel free and safe to express their opinions...,”

SmartGirl is equally aware of the value of the site to marketers, calling it “... a tremendous resource for cutting-edge companies that understand the value of listening to this ever-changing and independent age group.”<sup>48</sup>

SmartGirl’s “Speak Out” section, accordingly, contains a wealth of Web surveys for users to complete, and for marketers to mine for data.<sup>49</sup>



- **Alloy**, an e-commerce site launched in 1996, targets 13- to 19-year-olds through a Web site and a print catalogue sent every three to five weeks. The Web site, which offers entertainment and community content mixed in with an array of merchandise, attracts 1.3 million teens a month.<sup>50</sup>



- **Napster** was launched in 1999 and quickly became an enormously popular service, attracting some 50 million users by simplifying the process of locating and



downloading digital music files. Based on the principle of peer-to-peer computing (as distinct from more centralized client/server systems), Napster provides Internet users with the ability to search other members' hard drives for copies of musical works stored in the MP3 file format. Unfortunately, Napster ran afoul of the recording industry, which successfully sued to prohibit the copyright violations that arose from the free swapping of recordings, and its future is in doubt.<sup>51</sup>

- **Pogo.com** offers a wide assortment of games, including “risk-free” casino games (slots, blackjack, poker), card games, trivia and word games, arcade-style games, and puzzles. While cash prizes are awarded for some of the games and contests, there is no cost to play games on this advertising-supported site. Internet users' interest in online gaming is growing at a staggering rate. Excite, the online portal owned by @Home, reports that its games area is the third fastest-growing source of new registrations on its site.<sup>52</sup>



## Defining Features of Teen Digital Culture

As we will see in the following pages, many of the forms and much of the content of the online teen culture are attuned to the special developmental needs of adolescents, tapping into their desires to be independent of parents and family, to communicate with their peers, to try on new identities, and to express their opinions. The popular enterprises that make up this

new media culture offer a variety of engaging, interactive activities. Many provide a package of “sticky content” and communications services—from e-mail to instant messaging to chat—designed to serve as the doorway to the Internet and the daily hub of teen online experience.

In many ways, Web sites are an extension of the popular culture aimed at teens in the “offline media” of music, games, movies, and television. But the unique nature of the Web enables it to provide a much richer experience than what is available in conventional media. Teens can also find an abundance of valuable information online about a broad range of topics that are directly relevant to their lives. The new digital media foster relationships with their audiences that constitute a significant departure from the ways in which teens have interacted with media in the past. The Internet allows teenagers to form communities with their peers, express themselves through writing and art, engage in social and political activism, and even earn money in the new “e-economy” of cyberspace.

At the same time, the myriad activities that define much of this Web culture for teens are deeply rooted in the business imperatives of the new digital economy. Even as online companies struggle to find workable revenue models in an uncertain economy, marketing and advertising are already fundamentally shaping the digital culture, creating new hybrid forms that blend communications, content, and commerce.

## **Themes and Content**

Accurately characterizing the “content” of these teen Web sites presents some challenges. Its ephemeral nature, combined with the fact that much of it is user-created, make it difficult to capture and summarize. However, by examining the categories that online companies use to organize their Web sites, we were able to identify several themes that are frequently represented. Not surprisingly, the lion’s share of content revolves around the popular culture that young people so avidly consume as well as the personal issues that tend to be foremost in their minds. Topping the list in our survey were music (found on 67.9 percent of the sites), film (54.3 percent), relationships (51.9 percent), advice (49.4 percent), and fashion (43.2 percent). At the other end of the spectrum were topics that appeared on only a small percentage of commercial sites: religion (16 percent), travel (11.1 percent), food (11.1 percent), volunteerism (11.1 percent), the environment (6.2 percent), and nature (2.5 percent).<sup>53</sup>

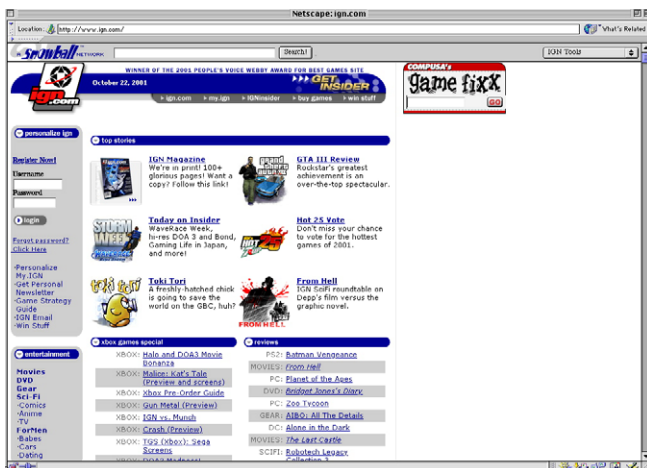
Most of the commercial teen sites are organized as online magazines or “e-zines,” offering a menu of activities on a variety of topics. The home page of gURL.com is fairly typical.<sup>54</sup> With content areas grouped under such headings as “Dealing With It,” “Looks Aren’t Everything,” and “Where Do I Go From Here?” gURL.com presents users with an array of information for



dealing with teen life (e.g., sex, emotions, fashion, body image, college selection, and finances). In sections such as “Stop, Look and Listen,” “Movers, Shakers and Media Makers,” and “Sports gURL,” the site offers reviews of books and music, profiles of women in a variety of careers, and information on women’s sports. Like most other sites, gURL.com also gives users an opportunity to voice their own opinions, create their own content, and interact with others. On any given day, an individual can log on, take a quiz about her relationship with food (is it a healthy one?), check her gURL e-mail account, seek advice on what to do after graduation, update her gURL.com personal Web page, enter a contest to win a soccer ball signed by Mia Hamm, and chat with other teens on the site.<sup>55</sup>

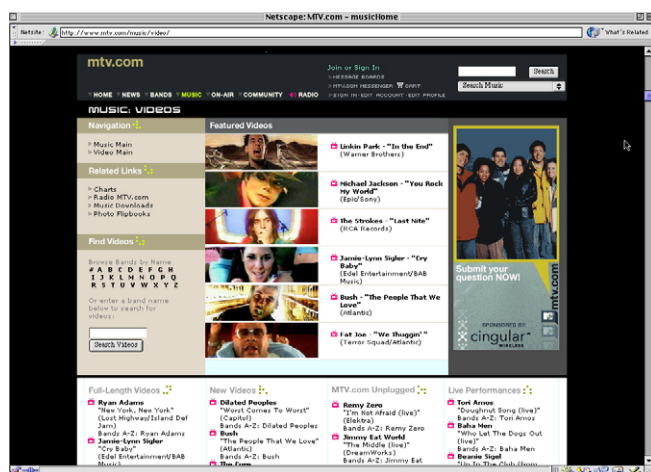


As have a number of other teen sites, gURL.com has woven into its mix of pop culture, fashion, advice, and marketing a dose of “pro-social content” that is designed to promote personal and professional growth. For example, teens can apply for “gURL grants” in order to explore their “creative and intellectual interests in an in-depth way, involving resources that might be otherwise unavailable.”<sup>56</sup> Users between the ages of 13 and 19 compete for financial grants between \$1,000 and \$3,000 to be applied toward educational programs, independent projects, or public initiatives. One winner, “Carolyn,” used her grant to attend a four-week debate camp at the University of Michigan. Like all grant recipients, Carolyn was required to provide gURL.com with a “contribution” to the Web site following completion of her project. In Carolyn’s case, she led an online chat debating the legalization of marijuana.<sup>57</sup>



Teen Web sites are often gendered, like their print magazine counterparts. The IGN.com site, which is part of the same Snowball network as ChickClick.com, provides male teens with an array of online categories that is quite distinct from that provided for girls. Sections on movies, DVDs, Sci-Fi, Video-games, and online games feature articles and reviews of new movies, TV shows, comics, and video consoles and games. A section entitled “For Men” also offers advice on “cars, gear,

babes,” and, like many teen sites targeted at girls, “dating.” By dropping into the site on any given day, a user can read news on the E3 gaming expo, learn more about the new Sony MP3 player, read a review of the book and film *Shrek*, chat with others, post on a message board about his favorite TV show, check his IGN e-mail, and consult his local TV listings.<sup>58</sup> The site’s emphasis on games reflects the strong appeal that this type of online content has for boys. (See “Online Gaming,” page 44.)



Music is one of the most prevalent features on teen Web sites, equally popular with girls and boys. Teens are at the center of the controversial reconfigurations in the music industry in the ways that music is distributed and consumed in the digital age. Music videos have been available for online viewing for a few years, on Web sites such as MTV.com and individual record label and artists’ sites. Fans can go to these sites to learn more about their favorite performers and (if they have a

sufficiently fast connection) to view entire music videos. Some of these online music videos are now taking advantage of the Internet’s capacity for interactivity. MTV.com is experimenting with a type of music video called “Webeos,” which are videos that are designed for Web broadcast and that allow viewers to control some of the sounds and images.<sup>59</sup> For Busta Rhyme’s “Make Noise” Webeo, viewers can select and rearrange images they want to see during the video. A Webeo for Moby’s song “Porcelain” allows Web users to click on portions of the screen to choose the musical instruments they hear during the song.<sup>60</sup> (See “MTV,” page 47.)

One of the most popular uses of the Internet among teens is the downloading of MP3 music files, a practice made popular, and controversial, by Napster.<sup>61</sup> (See “Online Music,” page 49.) MP3 is a digital compression standard used to shrink music files for faster transmission over the Internet. Once downloaded and stored on a computer’s hard drive, music fans can listen to the files on their PCs, on portable MP3 listening devices, or on recordable CD ROMs. There are already more than 8 million recordable CD-ROM drives in use, and by 2005 that number could increase to 50 million.<sup>62</sup>

Downloadable MP3 files are available on many Web sites, including search engines, music magazines, and fan sites.<sup>63</sup> Listen.com is a search engine for downloadable music, on which users can search for audio files by artist name or browse by music genre. Songs are available free of charge or for small fees. The site also provides critiques of musical artists written by a

team of editors.<sup>64</sup> MP3 files are also available on sites such as Rollingstone.com, Launch.com, and Billboard.com. Many teens have even posted MP3 files on their own Web sites to share with the public. In the past year, MP3 file-swapping has become particularly prevalent among teen Internet users. High school faculty report that downloading music is one of the most popular uses of their schools' high-speed computers. "Buying a CD just isn't very useful anymore," says a high school sophomore in California. "I can get any CD I want off the Internet."<sup>65</sup>

While that "gray market" in popular music is unlikely to last much longer, given the rise of the Secure Digital Music Initiative (SDMI) and other recording industry efforts to prevent the unauthorized distribution of copyrighted music, the future of the Internet as a music-distribution platform seems all but certain.<sup>66</sup> The five major record labels are each working on online subscription plans, with AOL Time Warner likely to play a leading role. According to Kevin Conroy, head of the AOL Music Division, "AOL Music is focused on creating a single integrated platform that will make it easier and more convenient for consumers to discover, experience and own music across our properties."<sup>67</sup> Such services, needless to say, will not be free of charge, although the particular pricing model (subscription or pay-per-listen) has not been determined yet.

Equally certain is the central place that music will continue to enjoy in the lives of young people. Larson found that adolescents frequently use media when they are alone to cultivate a private self. For instance, adolescents frequently listen to music because they can personally identify with the messages in lyrics and because it helps them to differentiate themselves from their families and others. Music also helps them grapple with emotions common to adolescence, such as stress, loneliness, and depression.<sup>68</sup> At the same time, the Internet now affords young people an opportunity to share these feelings (at least in the form of the music that serves as a soundtrack for their various moods), by setting up personalized radio stations that broadcast, via the Web, their favorite songs. The companies that host these streaming-media services bring the expressive process full circle by inserting advertising into the midst of the musical programming. Thus what began as an expression of private feelings, made public, is ultimately monetized as a revenue-generating business for such sites as Sonicroadio.net and Live365.com.

Because many teens work in after-school jobs, yet have limited expenses, they tend to have a high percentage of income to spend on entertainment.<sup>69</sup> It should not be surprising, then, that the online teen culture foregrounds entertainment over information. However, there are a few notable commercial teen sites that offer a more serious menu, including content on such difficult issues as sexuality, drugs and alcohol, date rape, and AIDS. These same issues have in recent years become an increasing presence in the content of prime-time television and other



popular media. But the unique nature of the Internet adds a new dimension to topical content. On the Web, teens can discuss their problems with experts without fear of exposure, find “offline” resources for help, and link to communities of other young people who are struggling with the same issues. For example, drDrew.com bills itself as “the Internet’s leading online lifestyle community for 14- to 24-year-olds.”<sup>70</sup> Hosted by Drew Pinsky, an M.D. who has both radio and MTV credits, the Web site combines serious information on health issues, such as sexual health, mental health, AIDS, physical health and fitness, abuse, addiction, depression, and eating disorders, with content that is more typical of a teen site, such as celebrity stories and book, movie, and music reviews. “Through our network of doctors and health institutions, writers and editors, celebrities and community members,” explains the Web site, “we are creating a space where everyone shares a part of their lives in hopes of helping others. Some of this information will be straight fact; some of it will be personal stories; and some will be a mixture of the two. At drDrew.com, we look forward to providing information that is difficult to access to the public. We offer a place to answer your questions and encourage you to share something from your own life as well.”<sup>71</sup>



The site offers a number of different “communities,” based on specific issues. By visiting the “Suicide & Violence” community, for example, teens can find information on Rohypnol, “The Date Rape Drug”; read a Q & A feature, “How do I stop myself from being violent”; or post a message in a forum in which a user asks if it’s normal for him to have the urge to push people down. In the “Mental Health” community, one can learn about attention deficit disorder. The “Birth Control & Pregnancy” community provides various birth control options, such as condoms and emergency contraception. For more specialized advice, users can ask questions on a message board for public response or direct a question to a health expert, including Dr. Drew himself. A link to the “Get Involved” section provides information on nonprofits and volunteer organizations dealing with the issues presented on the site. To lighten things up, users can flip over to the entertainment sections and find an interview with pop star Sisqo, a review of the movie *Patriot*, or a feature on the new musical album by the Beastie Boys.<sup>72</sup>

The VOXXY.com site, an “interactive online network for teenage girls,” includes a section called, “S.O.S. – You’re Not Alone,” where teens can find links and information on a range of

issue topics, such as alcoholism, animal rights, AIDS, voter registration, molestation, pregnancy, eating disorders, divorce, self-defense, college, depression, discrimination.<sup>73</sup>

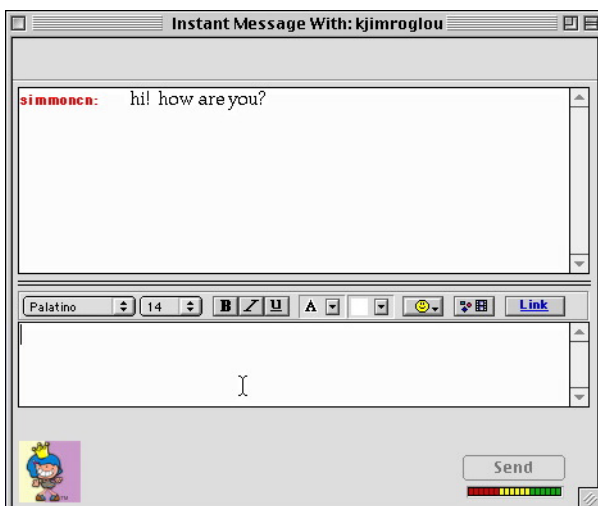
A little more than 10 percent of the sites we surveyed offered some content related to volunteerism, an activity that appears to be on the rise among teens.<sup>74</sup> At React.com, for example, a popular site with teens 13–17, information on volunteering and activism is intertwined with such “typical” teen site content as news, sports, entertainment, advice, and dating. The site provides a link to the Youth Service America organization, which houses a database to help people find organizations to volunteer with in their area. In the May 17, 2001, edition of the Web site, React also featured a news article on the activist group “Truth,” whose aim is to curb under-age smoking.<sup>75</sup>

## **Reach Out and Touch Someone**

In their quest for identity, adolescents increasingly shift their attention away from family and toward their peers.<sup>76</sup> (See “Academic Research on Teens and the Media,” page 13.) For decades, the telephone has been one of the teenager’s primary tools for independence and connectedness to this larger social world. Today, the Internet is swiftly assuming that role, providing a new level of perpetual connectivity and a much wider arena for participation and experimentation. Not only do wired teens chat with friends from school, but they also correspond with countless—and often anonymous—others from all across the globe. Unlike telephone contact, in which all communication is verbal, and which generally involves friends and acquaintances, the Internet allows for multimedia connections with people teens do not know and likely will never meet. Additionally, the Internet provides access to an exponentially greater number of people than does “real” life, offline. Friendships develop over time as teens disclose

personal information to like-minded people that they encounter in various online arenas.

Social interaction, in fact, has become the primary reason most teens use the Web. Top activities for both males and females include e-mailing friends, instant messaging, and spending time in chat rooms. According to the “Kids Trends Online 2000” report published by Children’s Market Research, 69 percent of kids use the Web to chat with their friends.<sup>77</sup> Teenage Research Unlimited (TRU) found that “more



than 70 percent of teens are using the Web for e-mail, half are sending instant messages, and almost 40 percent are talking in public chat rooms.”<sup>78</sup> According to the Pew Internet and American Life Project, the four most popular activities among online teens are sending or reading e-mail (with 92 percent of teens participating), surfing the Web for fun (84 percent), visiting an entertainment site (83 percent) and sending an instant message (74 percent).<sup>79</sup> Many teens, the Pew researchers note, tend to undertake a number of these tasks simultaneously:

*When teens are logged on, they are often multi-tasking, simultaneously e-mailing, instant messaging, surfing the Web, and if they are fortunate enough to have two phone lines, a cell phone, or a broadband connection, talking on the phone, too. “I do so many things at once,” acknowledged one 15-year-old girl in the Greenfield Online group discussion. “I’m always talking to people through instant messenger and then I’ll be checking e-mail or doing homework or playing games AND talking on the phone at the same time.” Another girl, 17, from the same group explained, “I get bored if it’s not all going at once, because everything has gaps—waiting for someone to respond to an IM, waiting for a website to come up, commercials on TV, etc.”*<sup>80</sup>

Communication features—including message boards, chat rooms, and e-mail—are among the most dominant features of teen Web sites. Nearly three-quarters of the commercial sites in our survey offered bulletin or message boards; almost 60 percent provided chat opportunities, and nearly half offered free e-mail services. Some provided even more elaborate options for online communications, including virtual “pen pals” and instant messaging—enabling teens to carry on a conversation with one or more friends without interrupting their other Web surfing activities—and customized “e-cards” that can be sent directly to a friend’s e-mail address on demand.

Instant messaging services (e.g., Yahoo Messenger, MSN Messenger Service, and AOL Instant Messenger) alert users when their friends are online, and allow for real-time text exchanges. With some 130 million users of its IM services, AOL dwarfs all other competitors in the field, and its feature set, which includes a collection of graphic “emoticons” for the shorthand expression of a range of feelings, has proved enormously popular with young people.<sup>81</sup> But industry analysts predict that the IM market, soon to include voice, streaming media, and highly targeted advertising, will eventually outgrow its small-talk origins to become a significant engine of online commerce, and today’s teen users will be a primary target. “Instant messaging might seem like nothing more than a touchy-feely service for teen-agers now,” writes Louise Rosen in *UpsideToday*, “but it’s one of the stickiest applications on the Web, and in the future there are potential revenue streams that could yield billions of dollars. IM can drive up a site’s traffic and brand awareness. It will be an important feature of interactive television; it has the

potential to be used as a killer direct marketing tool, and can add real-time customer services to a site.”<sup>82</sup>

Other online applications help teens manage their active social lives, with many sites allowing users to set up personalized calendars, address books, and voice mail. These features are part of a package of interactive content designed to create ongoing relationships with teens, and thus to keep them coming back to a site on a regular basis. At Teen.com, for example, teens can sign up for e-mail service, send e-cards, find “e-pals,” and keep a journal (which is available for all to read). The site’s e-mail newsletter services, “Daily Rag” and “The Buzz,” supply daily messages to a teen’s e-mail address. The Headbone Zone, similarly, offers chat, paging, mail, and e-postcard services, all as a means of encouraging teens to communicate with their friends and, more importantly, to become frequent Headbone visitors.<sup>83</sup>

While most of these communications services are provided free, they generally require a considerable amount of personal information from teens in order to register. Youngbiz.com, for example, a Web site designed to educate youth about the business world, collects a variety of data in exchange for a free youngbiz.com e-mail address. Users are required to provide their first and last name, e-mail address, birth date, gender, postal zip code, and country of residence. They are also encouraged to provide the following optional information: mailing address, marital status, number of children in the household under the age of 18, household income, computer usage data, educational background, and current employment, along with their hobbies and interests. Although the registration form states that the site asks “for your location, gender, and occupation so we can personalize your experience,” it is clear that youngbiz.com is collecting such in-depth information in an attempt to create a demographic profile of its users.<sup>84</sup>

Online communications features also play host to a variety of “viral marketing” techniques, part of the growing arsenal of strategies for promoting “brand awareness” among teens. (See “Marketing to Teens: New Trends and Strategies,” page 52.) Viral marketing quietly promotes products or services by including product information, such as a clickable URL, with every communication sent from one user to another. As one observer noted in an enthusiastic *Fortune* magazine account of such promotional techniques, “marketing messages spread like the flu, passed by word of mouth from one friend to another to five more, until there’s a full-blown epidemic and products are flying off the shelves.”<sup>85</sup> A new-media company called ExtendMedia used such a viral marketing campaign in connection with “Gary & Mike,” generating e-mail messages well in advance of the debut of the Claymation series on the UPN network in January 2001. “Today’s young audiences want to feel that they have stumbled upon cool entertainment,” explains Keith Kocho, president and CEO of ExtendMedia, “so these humorous e-mails will

**YoungBIZ.com**

### REGISTRATION FORM

Please fill out the form below, completely and accurately. Create an Email name and a password and write them down. You will need them to access your Mail. We also ask for your location, gender, and occupation so we can personalize your experience. **Note:** Only your First and Last name are included in the Mail that you send.

**If you are thirteen or under thirteen you cannot sign-up for e-mail due to new government regulations. Both your Username and Password should be at least four characters long!**

**Valid Usernames cannot contain:**  
spaces( ), backslashes(\), single quotes/apostrophes('), double quotes("), less than signs(<), greater than signs(>), or commercial at signs (@)\_

**Username Required**  @ youngbiz.com

**Choose a Password Required**

**Type your Password again Required**

**First Name Required**  -Displayed on sent Email

**Last Name Required**  -Displayed on sent Email

**Alternate Email**  -Address to contact you

**Secret Question Required** (ex. What color is my Iguana?)  -In case you forget your password.

**Secret Answer Required**  -In case you forget your password.

**Birthday Required** --- --, 19 --- -In case you forget your password.

**Gender Required** ---

**Zip or Postal Code Required**

**Country Required** ---

**Address**

**City, State/Province**  [Select State From List]

**Marital Status** [select best answer from list]

**No. of children under 18 in your household** [select best answer from list]

**Household Income** [select best answer from list]

help build the show's audience organically as people discover the characters and pass the word along to their friends.”<sup>86</sup>

Viral marketing is a key part of the business strategy for Snowball.com, a network of five sites that is designed to provide advertisers with access to well-defined target audiences while offering Snowball's content and network partners increased traffic and visibility. Through a variety of free Web-based services, Snowball.com seeks to attract not only users, but also the marketers eager to reach neatly defined online enclaves of specific demographic subgroups. Snowball.com's "Corporate Background Sheet" candidly describes the *quid pro quo* that fuels its business, as the company "provides users with free e-mail, personal home pages, instant polling and much more. In turn, these free community services provide a powerful form of viral marketing for the networks and their content partners.”<sup>87</sup>

Not only do chat rooms and e-mail provide teens with the opportunity to develop online friendships, but they also facilitate the development of romantic relationships. Several teen sites feature what amounts to online dating services, including Bolt's Honey Search and Headbone Zone's MatchUp, which offers both a pen pal service and Automatch: "Automatch



will search the entire Personal Profiles database to find the hbzMember who is most like you. (What a way to make a new friend!) You might not find a perfect match, but AutoMatch will try and find you someone who comes close.”<sup>88</sup> While most studies of online dating have focused on adult interactions, teenagers also appear to find the Internet an appealing place to court romantic partners. Adolescents, who are just becoming familiar with romantic feelings and whose bodies have only recently experienced sexual desire, are even more likely than adults to find relief in the relative safety of online courtship (e.g., rejection is presumably easier to accept online than face-to-face).<sup>89</sup>



Considering common adolescent anxieties about physical appearance, another benefit of online dating is that teens can communicate without actual bodies to make them self-conscious. Indeed, as Steve Silberman, a senior culture editor of *Wired News*, observed, “Online interaction gives teens a chance to unmask themselves in a safe place, in a venue where individuals make themselves known by the acuity of their thought and expression, rather than by their physical appearance.”<sup>90</sup> But for those who seek the “truth-in-advertising” assurances that photographic evidence can provide (at least in the absence of any Photoshop manipulations, that is), both AOL’s Instant Messenger and Bolt’s Honey Search accommodate the posting of online photos. And for the truly self-confident, sites like Am I Hot, Picture Judge, and Rate Me invite public reviews of digital photographs.<sup>91</sup>

## **Teen Self-Expression Online**

Another popular use of the Internet by teens is public self-expression. Many Web sites enable teens to express themselves and to participate in the creation of content on the Web, and 38 percent of online teens have visited such sites.<sup>92</sup> Methods of content creation include posting to a message board, asking for or giving advice, publishing a text or poem, writing an editorial or a review, or creating a personal home page. Encouraging teens to create their own content serves several purposes: it gives them a chance to express themselves in a forum that reaches their peers; it encourages teens to take ownership of the site, ensuring that they will return again and again; it adds a degree of “currency” in a quickly-changing teen subculture; and it is an inexpensive source of material for the Web site operator.

A substantial percentage of the commercial sites we surveyed (90 percent) encourage teenagers to become involved in the creation of content on the site. Membership in the SmartGirl.com site, in fact, is limited to those who have contributed a review to the site's collection of critiques (generally laudatory) of movies, music, books, beauty and body care products, computer games, and the like.<sup>93</sup> The Bolt.com site goes a step further than most other teen sites, with almost all of its content created by its "members."<sup>94</sup>

Many sites have areas that enable teens to create their own personal home pages, and a quarter of all online teens (24 percent) have created their own Web pages.<sup>95</sup> The Web also allows for greater physical appropriation of media materials than ever before. Adolescents who create their own home pages can present entire collages of media products gathered both on and off the Web with great ease. Merely by clicking on an image on another Web page and saving it to a file, they can accumulate pictures of events, places, and personalities to paste onto their pages. They can feed video and audio into their computers so visitors to their sites can experience their musical and visual tastes, and they can scan in images they have clipped from magazines or other printed media. Angelfire, a division of Lycos and one of the more popular home page hosting services on the Web, offers a guide to the construction of celebrity sites. In addition to outlining the basic components of such sites (which include pictures, bios, reviews, and links to related sites), the Angelfire guide offers links to official celebrity information sites, rich-media search engines, and basic site-construction assistance.<sup>96</sup>

Home pages can be modified often to match teens' developing identities or to help them experiment with new identities. Teens present themselves to their audience by publishing their own personal creations, such as artwork, essays, poetry, and journals. As forms of visual expression that incorporate media images and symbols, the personal home page functions similarly to the bedroom walls of teens, which Jane Brown and her colleagues have studied. "[Adolescents] use media and the cultural insights provided by them to see both who they might be and how others have constructed or reconstructed themselves," observed Brown.<sup>97</sup> This new virtual form of personal expression is also akin to the diary, which enables teens to document their innermost thoughts and feelings, only in this case, with a potentially limitless audience. "On the Web," notes Daniel Chandler, "the *personal* function of 'discovering' (or at least clarifying) one's thoughts, feelings, and identity is fused with the *public* function of publishing these to a larger audience than traditional media have ever offered."<sup>98</sup> Indeed, remarkable candor and intimacy can be found on many of the teen personal home pages.<sup>99</sup> The Teen.com journal entries of one Candy H., for example, describe the 14-year-old girl's experience of sleeping with her boyfriend, Matt ("Just waking up to his face was the best thing I could ever have. Doing it again is all I ever want"), Matt's legal problems ("He's not getting in

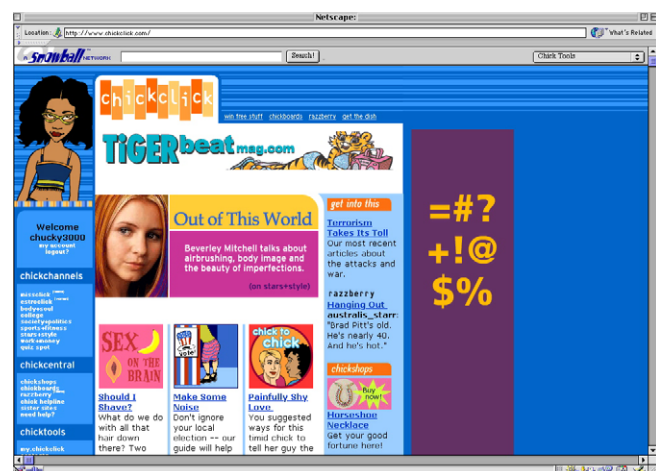
trouble because the police didn't read him his Miranda Rights so his lawyers are getting him off"), and insights into modern-day parenting ("My dad is gonna let me get my belly button pierced if I get straight A's and look for a job this summer").<sup>100</sup>

Cultural representations on adolescents' home pages allow them to communicate to others—in fact, to a global "other"—how and with whom they would like to be identified. For example, an adolescent who covers her site with references to "Seventh Heaven" and Sarah McLachlan is explicitly defining herself much differently from the girl who represents images of Marilyn Manson and "South Park." Not only do such diverse representations work to define teens as unique individuals, but they also signal to other Web users their affiliation with particular subcultures.<sup>101</sup> The Web, then, allows adolescents even greater freedom to explore possible selves. In "real life," an adolescent cannot easily change friends or clothes on a daily basis. On the Internet, however, an adolescent can try out a new self (or selves) literally every day.<sup>102</sup>

## **"Love my community, love my brand"**

Scholars have suggested that teens use the Internet not simply to communicate with individual others, but also to participate in various online communities. Particularly for those teens who feel uncomfortable or unaccepted in their "real" (offline) lives, online communities provide extensive networks of like-minded others with whom teens can share their thoughts and experiences.<sup>103</sup> The Internet's capacity to enable vibrant online "virtual communities," a term coined by author Howard Rheingold in 1993, has caught the attention of scholars and Web enthusiasts.<sup>104</sup> As Rheingold explains in *The Virtual Community: Homesteading on the Electronic Frontier*, "virtual communities are social aggregations that emerge from the Net when enough people carry on those public discussions long enough, with sufficient human feeling, to form webs of personal relationships in cyberspace."<sup>105</sup>

A number of the teen Web sites bill themselves as communities, and the word "community" is peppered throughout the promotional literature of commercial Web sites. Often they combine genuine interest-group activity with brand-name identification. ChickClick.com, for example, describes itself as "a hip, progressive network of girl-powered Web sites for 12–29 year old females," building its online community around content that



is calculated to be of interest to girls and young women: entertainment, relationships, health, style, news, technology, sports, work, travel, home, education, spirit, parenting, current events, politics, business, law, and finances.<sup>106</sup> The Snowball site refers to itself as a “vibrant self-empowered community.” IGN.com bills itself as “The #1 games and entertainment destination online for 12–24 year old males,” offering users a “community” experience that revolves around six content channels: Games, Sci-Fi, For Men, Movies, DVD, and Wrestling.<sup>107</sup>

In recent years, online companies have embraced the concept of the virtual community as a viable method for aggregating not only constituencies of like-minded individuals, but also markets for products based on affinities of interest.<sup>108</sup> Notes one marketing expert, “the word ‘community’ seems poised to overtake ‘relationship’ as the new marketing buzz-word,” as “[c]onsumer-goods companies create online communities on the World Wide Web for their brands.”<sup>109</sup> These “branded communities” have become more and more common in cyberspace, with companies as diverse as CNN, Shell, and Pentax all hosting bulletin boards, forums, and chat rooms.<sup>110</sup> They have also become very popular in the children and teen online business. At the 1999 Digital Kids conference, participants spoke proudly of “branded communities” for teens—Web sites built around products—invoking the slogan, “love my community, love my brand.”<sup>111</sup> The Cover Girl line of cosmetics, for example, touts its “fabulous, free, members-only” CG Connection Club, with its monthly e-mail newsletter offering personal make-up tips, the newest color collections, and an astrological forecast known as the “Beautyscope.”<sup>112</sup> Sony Playstation, similarly, attracts members with the promise of e-mails on new product releases, expedited online shopping, and “Wish Lists you can e-mail to your friends and family.”<sup>113</sup>

The emergence of these “branded communities” reflects the increasingly commercialized nature of the World Wide Web.<sup>114</sup> Advertising and marketing are becoming a pervasive presence in the online media, though their forms depart in significant ways from the more familiar 30-second commercials on television. The Web is breaking down the traditional barriers between “content and commerce,” and introducing new marketing practices tailored to the unique capabilities of the digital media. Teens are a key target for these efforts. Market research has been woven into the very fabric of the new teen Web culture, creating a rich and colorful tapestry of interactive features designed not only to engage and entertain, but also to gather valuable intelligence about this lucrative demographic group. The Web itself has become an extension of market research practice, creating a constant feedback loop that monitors not only the interests and tastes of teens, but also some of their most intimate communications and patterns of online behavior.

## Getting To Know You

Researchers have found that online communications offer teens a safe haven for expressing themselves, especially for those teens who ordinarily may be timid in public or who feel somehow set apart from the mainstream of teen life.<sup>115</sup> Safety is a relative term, however. While the anonymity of the Internet can lead to healthy inquiry into a variety of subjects that teens might feel shy about raising in other settings, the disclosure of too much personal information can be potentially dangerous. In some settings, such frank conversations can lead to unwelcome inquiries from others who might not have a teen's best interests at heart. Nevertheless, teens are not only comfortable with technology, they also are generally uninhibited in their online communications, sharing freely in chat rooms, on bulletin boards, and other public forums on the Internet. Admittedly, some of this candor may be a product of the multiple identities that the majority of teens assume online, a product of experimentation and self-protection, according to the Pew Internet and American Life Project: "Fully 56 percent of online teens have more than one e-mail address or screen name and most use different screen names or e-mail addresses to compartmentalize different parts of their lives online, or so that they can experiment with different personas."<sup>116</sup>

Teens are also willing and eager to respond to online surveys and questionnaires, providing detailed information about themselves and their families, including their concerns, their habits, their likes and dislikes.<sup>117</sup> Opportunities abound for teens to "talk back" to Web sites in a variety of imaginative and innovative forums. Our survey of commercial sites found that more than two-thirds incorporate polls, quizzes, and/or surveys of some form. Some sites, including Teen.com, have turned this feature into full-fledged business ventures. Teen.com assembled its volunteer "Trend Team" on the strength of a recruitment pitch that ran in its "Daily Rag" e-mail newsletter:

*Do you want to be a part of our team? Want to help decide what gets on our site and the changes we make? Do you consider yourself pretty cool and good at picking what others will like? Do you like to write and be involved in something big? Then maybe you are just right for our Teen.com Trends Team! We are putting together a panel of our visitors to serve as our consultants. We want to know your opinions and ideas! If you would like to apply for our team (it's volunteer but lots of fun!), write to me at editor@teen.com, put "Trends Team" in the subject and we will e-mail you a questionnaire to fill out. We will be selecting our team over the next few weeks. Good Luck and I can't wait to get to know all of you!!*<sup>118</sup>



Over 850 applicants responded to that message, out of which Teen.com assembled an initial Trends Team of 250 members, who receive gift packages of cosmetics, CDs, stickers, T-shirts, and other paraphernalia in exchange for responding to surveys of their shopping habits, musical tastes, fashion trends, and the like. Ultimately, Teen.com plans to expand its Trends Team to some 1,500 members worldwide, whose interests and expertise will be tapped on a wide range of topics. “If you are in product development and need feedback from the ‘teen’ market,” the site explains to potential marketing partners, “the Teen.com Trends Team is the best place to start.”<sup>119</sup> Marketing opportunities include co-sponsored mailings, product sample promotions, and customized research/focus groups.

The surveys and questionnaires on these Web sites serve dual functions. For teens, they are testing grounds for identity formation, ways in which teens can decide what their likes and dislikes are, how they perceive themselves, how they want to be seen in the world. As one teen girl explained, online surveys “give me a sense of who I am.” She added, “I learn about things that might be important to me.”<sup>120</sup> For companies, they are effective tools for ongoing market research. Marketers have become extremely adept at tapping into teens’ desire to communicate and express themselves online, and often compile and analyze the information that teens reveal about themselves to develop marketing campaigns. The data gathered from teens online enable marketers to create strategies that have the potential of building life-long brand loyalty among young people. “It’s not just about knowing what’s hot and what’s not,” observes Barbara Martino, president of the ad agency G Whiz. “It’s about understanding the emotions that drive the behavior that interconnects with brands.”<sup>121</sup>

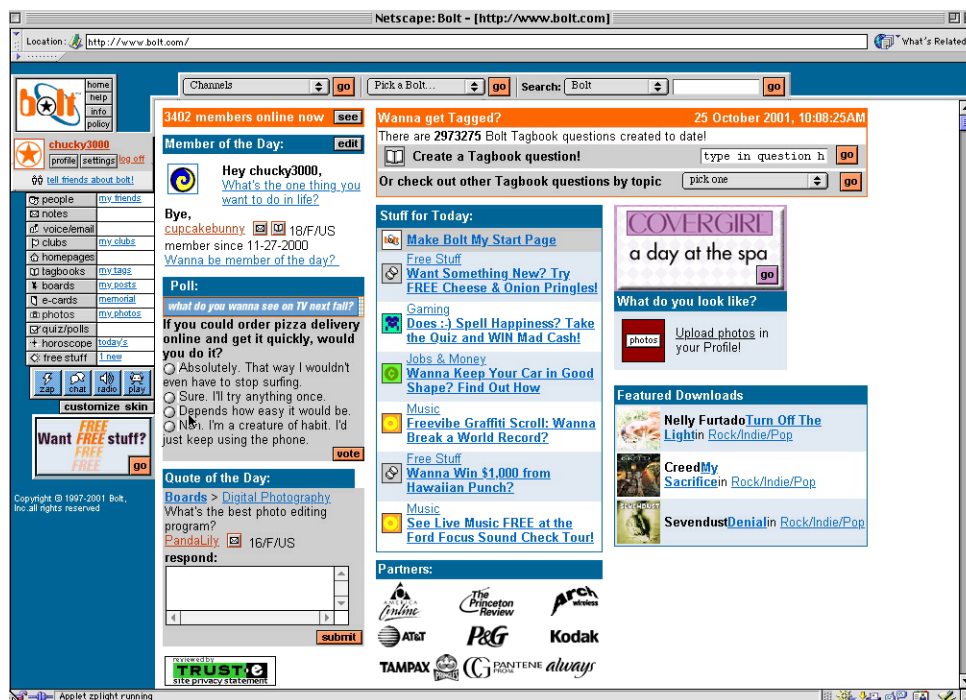
These online surveys and questions are an extension of long-standing practices in popular teen magazines, which regularly feature surveys on a variety of subjects, from dating to fashion to sports. But the Web has taken such practices to a new level. The interactive nature of the medium creates a perfect vehicle for a proliferating arsenal of “data mining” tools that have become a dominant feature in Web sites for teens. Marketers do not have to rely solely on information voluntarily provided by teens; they also routinely monitor the chat rooms, bulletin boards, and discussion groups where young people spend so much of their time, gathering valuable insights about the latest trends, hottest products, and most compelling obsessions of the teen world. As one industry publication stated, “Web sites designed to get kids talking are big winners. They’re not just a draw for kids, either—they provide marketers with powerful insights on kids’ lives.”<sup>122</sup>

In this way, the Web has become a potent surveillance tool that enables constant and unobtrusive monitoring of teen subcultures. As teens freely share their views about a wide range of topics, either in direct response to the site itself or in their online discussions with

peers, marketers are taking the collective pulse, moment by moment, of this lucrative demographic group. Chat rooms, discussion groups, and bulletin boards have become massive electronic focus groups with a constant influx of participants eager to share their personal and public lives.

Market research has become such an integral part of the online teen culture that not only is it shaping the content, in many cases *it is* the content. Companies for a variety of teen-oriented products—from cosmetics to fashion to music—can easily set up a Web site for the primary purpose of gathering market data. David Conn, vice president of marketing for the teen apparel maker Candie's, explained the ethos behind the design of Candie's Web site: "We felt that if we could build a site that became a prime gathering point for our customers, that gave them a platform and entertained them, we could data-mine and learn a lot about our market, which is really important when marketing to fickle teenage girls."<sup>123</sup> (See "Studying the Teen Demographic: 'Explorers,' 'Visibles,' and 'Isolators,'" page 56.)

As teen Web site companies experiment with various ways to sustain their online operations, market research is proving to be one of the more promising business models, in some cases surpassing advertising and sponsorship as the key source of revenue. This trend is evident in recent changes at Bolt.com. Although Bolt has received most of its revenues to date from advertising, sponsorship, and e-commerce, the majority of future revenue is expected to come from conducting—and selling—market research.<sup>124</sup> Using data collected from the polls and surveys hosted on the site, along with information provided by teens in Bolt's numerous message

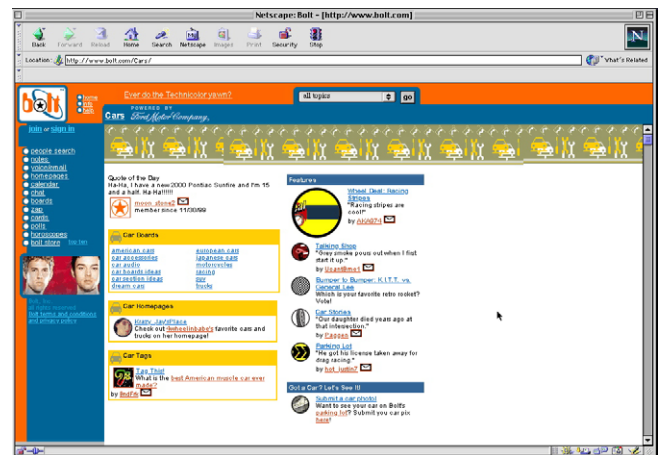


boards, Bolt.com determines the latest trends in the teen market and sells this information to advertisers and marketers. As David Titus, Bolt's head of business intelligence explains, "I can imagine research providing a very large revenue stream. Our information will be very accurate because it's behavioral data. I can watch what people do, where on the site they go."<sup>125</sup>

SmartGirl.com, whose mission is to "create a place on the Internet where girls can feel free and safe to express their opinions and views on everything from the latest movies and the hottest fashion trends to everyday issues like school, relationships and navigating adolescence," relies almost exclusively on market research and contains only minimal advertising.<sup>126</sup> SmartGirl's "Speak Out" section, for example, contains a wealth of Web surveys for users to complete. The surveys cover a wide range of topics, from music to relationships, from attitudes about health to thoughts on television shows and books, and from polls on volunteering to thoughts on online privacy.<sup>127</sup> According to SmartGirl, "the surveys are the way [we] stay in business. We talk to companies that want to know what girls are thinking and doing, and then help them make better products so you get what you really want."<sup>128</sup>



Some Web sites have entered into "strategic partnerships" with advertisers to design content whose sole purpose is to serve as a market research tool. Bolt and the Ford Motor Company created a "co-branded" section of Bolt's Web site that provided Ford with market research about the vehicular interests of today's teens, while providing Bolt.com with editorial content and advertising and sponsorship revenue.<sup>129</sup> This alliance underscores a dominant trend in online marketing. The visual format, the placement, and even the content of advertising are increasingly designed to blend the commercial message into editorial text. For example, on some teen sites we surveyed, content areas offered information and advice that included advice on using the sponsor's products. Contests, polls, and other interactive



features seduce teen users into “voting” for their favorite video, music, fashion, or other product.

## **Data Collection Practices**

Web site operators who sell market research collected on their Web sites often point out that they are only providing “aggregate” information to these third parties; they are not sharing with other companies any “personally identifiable” data about individual teens. However, most of these same Web sites *collect* considerable amounts of personal information from teenagers. Nearly all of the Web sites in our survey collected some form of personal information. The amount of data collected ranged from a simple e-mail address to entire profiles of users (including name, e-mail and street address, phone number, date of birth, and gender). Sites collect personally identifiable information in a variety of ways, by monitoring e-mail received from users seeking advice, for example, or by analyzing messages posted to online discussions. Users who subscribe to an online newsletter or who sign an online “guest book,” similarly, may be asked to divulge personal information. Among commercial Web sites, the most popular method of data collection is through registering new users, often in return for granting access to special features or content. The registration process varies from site to site, with some sites collecting a minor level of data (e.g., name and e-mail address), while others collect a wealth of personally identifiable information (including name, street address, and personal interests and preferences).

Although many teens will readily give up personal information online, some sites offer incentives designed to maximize the amount of information and the level of detail shared. At drDrew.com, for example, visitors were rewarded with gifts or special bonuses for surrendering personal information in the registration process.<sup>130</sup> Thirsty.com, a now-defunct teen “portal” and entertainment site targeting 13- to 22-year-olds with 13 “lifestyle channels,” took the reward process a step further, basing the overall reward a user received on the *amount* of information given. During the registration process, users were prompted to provide both required and optional personal information in return for “Thirsty points.” Thus users were rewarded with 150 points if they gave first and last name, e-mail address, zip code, country, birth date, and gender; they received 250 points more for adding their mailing address and telephone number. If they shared information about their favorite books, shows, sports, trademarks, and other interests, they gained 50 points, while they could earn another 50 points for providing eye color, height, ethnicity, religion, and the URL of their home page. They could even earn 175 points if they submitted a photograph of themselves for inclusion in their online profile.<sup>131</sup>

Netscape: thirsty.com

NetSite: <http://www.thirsty.com/Common/Register/RegisterHome/1,2362,,00.html>

WELCOME REGISTER LOGIN MAIL CALENDAR BOARDS CHAT MEMBERS POINTS LOCAL

# REGISTER 1/4

THIRSTY :: REGISTER

**HEY!** Thirsty will not share your information or contact you unless you ask us to. Please read our [privacy policy](#).

Registering at thirsty is essential! As a registered member you will have access to all of thirsty's features including email, chat, boards, stories sent to your cell phone or pager, and more. Meet other users around the world, keep in instant contact with friends, and stay informed about the news you care about.

**BASIC INFORMATION**

Earn **1000 bonus points** for registering on thirsty. **150 POINTS**

user name:

password:

confirm password:

first name:

last name:

email:

☐ forward my thirsty email to this address

zip code:

country:

Your age and sex cannot be changed, so please be truthful.

birth date:  /  /

sex:

**FREE**

**ONVIA.com**  
Work. Wisely.  
**CLICK HERE**

Connect: Host i.lioninc.com contacted. Waiting for reply...

There are also less evident ways that information can be gathered by Web sites, through the use of “cookies” and “Web bugs.” A cookie is an identifying code placed on the user’s computer by a Web site to monitor visitor activities, including such details as the so-called “click-thru” data, indicating the site that led the user to the site deploying the cookie in question.<sup>132</sup> Cookies are commonly used to store personal Web site settings and to facilitate online shopping carts, but they also can be used to create tailor-made advertising messages and are often placed on computers without the knowledge of the user. Furthermore, a third party, such as the online advertising agency DoubleClick, can place a cookie on the computer of a person who does not even click on the banner ad that is generating the cookie.<sup>133</sup> A “Web bug” is even more insidious. Taking up just a single pixel on a computer screen, it cannot be detected. And unlike cookies (which can be rejected by users who set their browser preferences accordingly), Web bugs operate entirely in the background, beyond the control of individual users.<sup>134</sup> Although data on the use of Web bugs were not available, nearly 80 percent of the commercial sites in our survey used cookies.



These data collection and profiling practices, which are common not only in the teen Web sites but in the entire commercial online culture, reflect one of the guiding principles of the emerging digital media economy. Unlike traditional media, which have generally aimed marketing and advertising messages at mass audiences or smaller demographic groups, interactive technologies make it possible to target individuals. Through “one-to-one marketing” techniques, marketers aim to develop unique, long-term relationships with individual customers in order to create personalized marketing and sales appeals based on individual preferences and behaviors. As explained by Don Peppers, one of the gurus of digital marketing, “marketers can inexpensively engage consumers in one-to-one relationships fueled by two-way ‘conversations’—conversations played out with mouse clicks on a computer, or touch-tone buttons pushed to signal an interactive voice response unit, or surveys completed at a kiosk.”<sup>135</sup> The goal of one-to-one marketing is to become intimately familiar with individual customers, learning not only their preferences and buying patterns, but even more detailed information about their tastes, interests, and values. The Internet provides a perfect tool for the collection of such data, through the ongoing collection of personal information and tracking of online behavior. Based on the data collected, the right mix of information, ads, and buying opportunities is combined in an irresistible package designed exclusively for an individual customer.<sup>136</sup>

As many Internet users have learned, personalized, one-to-one marketing can be very appealing to consumers, because it enables marketers to cater to individual needs and interests. A customer who buys books from Amazon.com, for example, will find, upon returning to the site, that she is not only greeted by name, but also is presented with the titles of several new books on topics that interest her.<sup>137</sup> Teen sites often cast their data collection practices in this very favorable light, stressing the personalized, customized aspects of their services. As Bolt.com’s privacy statement explains to teens, “cookies” are essentially a customization tool, designed to enhance the user’s experiences on the site:

*In our effort to provide you services customized to your interests, we use cookies to keep and sometimes track information about you. A cookie is a small piece of data that is sent to your browser from a Web server and stored on your computer’s hard drive. We use cookies to: access your account information (stored on our computers) in order to deliver better and more personalized services; estimate our audience size for our advertisers; assist in processing items in your shopping basket; track the number of entries in our promotions, sweepstakes and contests; identify which areas of our site you have visited.*<sup>138</sup>

But Bolt’s “terms and conditions” agreement also makes clear the ultimate intent of the company’s data-gathering efforts: “We also may match information obtained from cookies

with data provided by you or collected by third parties.... We also provide the analysis of our users (as a group of course) to prospective partners, advertisers, and other third parties.”<sup>139</sup> Such statements, which tend to be calculated, legalistic, and vague, nonetheless reveal the principal purpose for data collection on a site. And while the Children’s Online Privacy Protection Act (COPPA) of 1998 requires parental permission before commercial Web sites can collect personal information from children, the act covers only those commercial Web sites targeted at children under age 13, and thus doesn’t address those aimed at teens.<sup>140</sup>

## **E-Commerce**

In the past few years, a number of Web sites have been launched with the goal of enabling teens to make purchases online. According to Harris Interactive statistics, 69 percent of Web users between the ages of 13 and 24 research products online before buying them offline. The median amount of money Web users ages 13 to 15 spend online per year is \$360 (or 22 percent of their average income). Web users between 16 and 17 years old spend \$540 annually (13 percent of income), while 18- to 21-year-olds spend \$900 (12 percent). These figures are expected to increase as credit card usage expands among teens, and as alternative payment methods grow in popularity.<sup>141</sup>

Thus far, however, teen spending online has been comparatively modest. According to a survey by PricewaterhouseCoopers, despite the fact that teens spend a significant amount of time online, they rarely go online to shop. Only about a fourth of teen Internet users regularly shop online, for example, and only 2 percent claim online shopping is their primary reason for going online.<sup>142</sup> Teen users also have a much lower online purchasing rate than adult Internet users. Fewer than a third of teens with Internet access (31 percent) have actually purchased a product from an online shopping site, in comparison to over three-fourths of adult users (76 percent). “The fact that most teenagers are not independent consumers presents e-retailers with a unique set of challenges,” observes Mary Brett Whitfield, director of the PricewaterhouseCoopers E-Retail Intelligence System. “When teen Internet users were asked to identify the three biggest challenges they have with online shopping, parents not letting them make online purchases topped the list.”<sup>143</sup> Other concerns cited by teens include the inability to touch or try products before making a purchase, and doubts about being able to return products if they were unsatisfied with them. Another challenge to teen online purchasing is the payment transaction, since—unlike at the mall—they cannot pay for purchases in cash. Accordingly, 78 percent of teens’ purchases are paid for using a parent’s credit card.<sup>144</sup>

Despite these challenges, online companies have been developing a variety of ways to encourage and facilitate online sales transactions to teens. Popular teens sites such as Bolt.com have launched their own e-commerce stores, while other teen sites, including Teen.com, have made arrangements with such stores as JC Penney and JCrew to offer a virtual shopping mall.<sup>145</sup> Other e-commerce outlets include traditional catalogue sites (e.g., Delias.com and Alloy.com), along with new shopping portals (e.g., DoughNet.com and Rocketcash.com) that not only present users with purchasing opportunities, but also provide them with the financial mechanisms for purchasing products without a credit card.<sup>146</sup>

Outgrowths of the profitable mail-order catalogue industry, retailers such as Alloy.com and Delias.com aggressively target the teen consumer with an array of clothes, accessories, and other goods. Both Alloy and Delias have learned to pursue consumers through both the online and offline worlds—offering mail-order catalogues as well as their e-commerce-enabled Web sites. This strategy has proven successful for Alloy.com, one of the few teen Web sites that has turned a profit.<sup>147</sup> Alloy Chairman Matt Diamond credits his company's hybrid approach—selling products directly to teens and selling advertising to companies eager to reach the teen market—as the key to its success. One of Alloy's chief assets, then, is its database of potential teen customers, roughly 6.6 million names, nearly a quarter of whom (1.5 million) have actually purchased products from Alloy.<sup>148</sup>

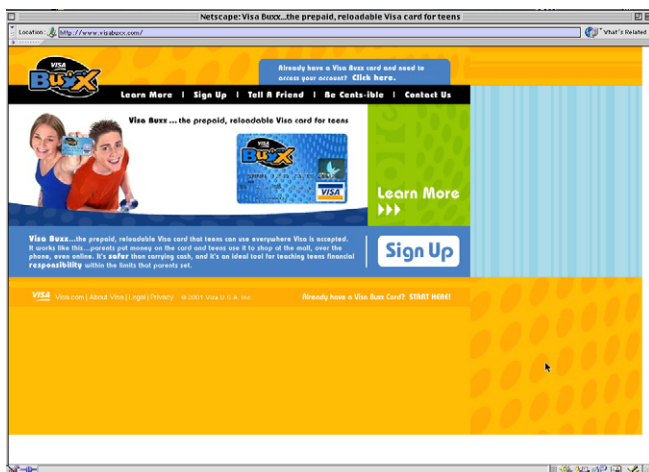
Launched in 1996, Alloy targets 13- to 19-year-olds through its Web site and a catalogue (with a circulation of 45 million customers annually) sent every three to five weeks. The Web site, which offers entertainment and community content mixed in with an array of merchandise, has 3.7 million registered users and attracts 1.3 million teens a month. The majority of its revenue comes from retail sales, with some 80 percents of the \$91 million in revenue in 2000 coming from its catalogue 800 number and its Web site.<sup>149</sup> Similarly, Delia's is typical of e-commerce sites aimed at young people (in this instance teenage girls), reflecting the trend to merge content and commerce. The site includes a wide variety of "lifestyle" content (including articles, contests, and polls/quizzes).<sup>150</sup> But the core mission of Delia's Web site is to serve as an online companion to an offline catalogue and retail stores that sell clothing, shoes, and accessories.<sup>151</sup>

While cash and parental credit cards have traditionally fueled teen spending, a number of alternatives have been developed for both the off- and online worlds. Increasingly, teens make purchases using their own credit cards, although those devices—debit cards, actually—are supported by parents' funds. Visa USA refers to its new Visa Buxx card, which is aimed at children 13 to 17, as a "parent-controlled reloadable payment card."<sup>152</sup> As Michelle Singletary observed in the "Color of Money" column in the *Washington Post*, "The cards are embossed

with the teenager's name. The monthly statements are sent to Mommy and Daddy."<sup>153</sup> Similar online services have been developed that allow parents and teens to apply funds from a bank account, credit card, or a gift from an authorized friend or relative, to a card that teens can use in place of cash both online and off. These services include Cobaltcard, PocketCard, and the College Parents of America's CPA College debit card.<sup>154</sup>

Although teen spending is limited to the pre-paid amount on the card, and while parents receive statements that allow them to track their child's expenditures, the very concept of issuing such cards to teens has been called into question. "At a time when the savings rate of this country is at an all-time low," declared Frank Torres, legislative counsel of Consumers Union, "we should be encouraging youth to save, not to spend."<sup>155</sup> For its part, Visa USA has attempted to steer a middle course between fiscal responsibility and rampant consumerism. Its Buxx Web site greets viewers with a lively rock-and-roll soundtrack and a bright "shopping

made easy" banner, but it also includes a "Money Tools" section in which kids can learn about investing, budgeting, and saving.<sup>156</sup> Visa also has launched a financial-skills assessment test for parents to administer to their child before an account is opened.<sup>157</sup> In any case, the intent of Visa, Cobalt, and the other teen spending card operations seems clear: to increase their share of the \$155 billion that teenagers spend every year.<sup>158</sup>



To facilitate online purchasing by teens, a new kind of Web site has been created, known in the industry as an "e-commerce enabler." One such service, Cybermoola.com, enables teen e-commerce by allowing users to create pre-paid accounts, which they can then use to purchase merchandise from affiliated Web sites. To begin shopping, a user must first set up a Cybermoola online account. Once the account is set up, the user, or user's family members, can add money to the account through a number of methods, including purchasing Cybermoola cards and certificates at participating national retail chains and grocery stores, mailing in checks or money orders to the company, or adding money to the account via a credit card. Once the account is filled with pre-paid dollars, the user can then shop at the 37 retailers currently affiliated with Cybermoola, including Delias.com, CDnow.com, and Borders.com.<sup>159</sup> A similar service is offered by Rocketcash.com, which provides parents with the opportunity to create and manage spending accounts for their teens, enabling them to shop at over a hundred online

retailers. Rocketcash also gives teens the opportunity to use their accounts in coordination with other online and “reward” currencies, such as Beenz and Cybergold.<sup>160</sup>

DoughNet.com takes the online account service a step further, creating virtual bank accounts that allow users not only to purchase products, but also to save, invest, and make charitable contributions.<sup>161</sup> Aimed at teens 13 to 18—and their parents—DoughNet enables online teens to engage in e-commerce without having to use their parents’ credit cards. Instead, families can set up online banking accounts or parent-controlled credit accounts for teens to use in online transactions. An online banking/money-management site with links to affiliate online retailers for e-commerce, it integrates content with online banking, shopping, and philanthropy. According to its mission statement, “DoughNet.com is a one-stop site where teens can shop (without credit cards), bank, save, budget, donate and learn about investing for the future. It is designed to encourage teenagers to become financially independent, in a safe and secure environment, and give their parents tools that can be customized to guide them.”<sup>162</sup>



The DoughNet site itself comprises a shopping portal with links to over 60 affiliate online retailers (including Amazon, AutoWeb, CDNow, Delia’s, and NetGrocer) from whom teen users can make purchases, drawing on their pre-paid accounts; online banking with USAccess Bank (an FDIC-insured financial institution); a philanthropy section, in which users learn about nonprofit organizations and volunteer opportunities and can make donations directly from their DoughNet accounts to the nonprofit groups of their choice; and various articles and advice columns on financial matters (contributed primarily by the users themselves).<sup>163</sup>

One example of DoughNet’s alliance with nonprofits is the “AIDS Memorial Quilt” project. Teens can donate money to the project and can also set up a display of the quilt in their own communities. DoughNet provides a link to information on the quilt project and connects members with sites such as Project Open Hand, which provides nutrition services to HIV/AIDS-affected families.<sup>164</sup> Other nonprofit organizations with which DoughNet is affiliated include Impact Online, Names Project Foundation, Natural Resource Defense Council, Rainforest Alliance, Rock the Vote, Save the Children, and Youth Service America.

For teens who don’t have money to spend online, DoughNet offers the opportunity to earn “DoughPoints” by answering polls by HarrisZone.<sup>165</sup> A division of Harris Interactive, HarrisZone



is a self-styled “full service research firm, harnessing the power of the Internet to gather the market intelligence businesses need to compete in the new economy.”<sup>166</sup> The points teens earn for responding to the surveys can then be translated into currency for online purchases. The DoughPoint system is emblematic of yet another online trend, as more and more Web sites devise ways for teens to earn new forms of online income. Several companies, such as CDNow, solicit adolescents to post advertisements for company merchandise on their personal home pages. Teens who do so receive discounted products relative to the number of people they direct to the company Web site.<sup>167</sup> Teens also appear to be among the most avid participants of “get-paid-to-surf-the-Web” sites (e.g., AllAdvantage.com), in which users agree to the placement of a “viewbar” at the bottom of their screens while they surf the Web. The viewbar exhibits various advertisements, and allows companies to monitor the amount of time users spend on the Web (and thus the time they are exposed to particular ads on the viewbar).<sup>168</sup> Teens earn a modest fee (e.g., 10 cents an hour) to participate in such programs, and many have compiled entire pages listing various companies that pay users to surf the Web.

It is still unclear which revenue models will dominate as the digital teen culture matures. However, those that survive amid this shakeout period may be good indicators of future directions. Alloy.com, which has remained profitable as others have lost money, attributes its success to a combination of merchandise sales through its online and offline catalogues, and advertising and marketing services sold to third parties. Speaking proudly of its successful “content and commerce” model, Alloy’s Chairman and CEO, Matt Diamond commented to the press that teens are not as affected by macroeconomic conditions as adults. “They don’t have mortgages,” he pointed out. “They’re still spending a lot of money.”<sup>169</sup>

And they’re still spending a lot of time online, exploring a World Wide Web that is introducing them to entirely new forms of digital marketing, data collection, and sales. The merging of content and commerce, combined with pervasive market research and data collection practices, has created an environment that renders teens especially vulnerable to the power and reach of the new interactive marketplace. It is precisely when teen users become most involved—expressing their opinions, manifesting their preferences, creating content for a site—that marketers can make the best use of them for commercial purposes. It is this curious symbiosis—the richer the site in content and features, the greater the potential rewards for the site’s owner—that defines the online commercial culture for teens.

## Online Gaming

The world of online gaming is vast and diverse. Early on, online games were hampered by technology that struggled to handle the graphics and the interactive nature. Within the past few years, computers have become much more powerful and are now able to handle large amounts of graphics and interactivity.

One development that fueled the popularity of online gaming was the creation of the media player Shockwave. According to game expert Tamara Schembri, Shockwave is “in simple terms ...a plug-in, or application for your browser, required to play certain games, watch movies and cartoons and listen to music. All in all a must for entertainment-lovers. This miraculous plug-in has created a phenomenon known as ‘Shockwave games.’ These are free, yet eminently playable titles requiring the Shockwave plug-in.”<sup>1</sup> The popularity and ease of Shockwave technology allowed for a greater range of Internet gaming experiences. In addition to resurrected classic arcade games, such as Frogger, Spy Hunter, and Pac-Man, Shockwave.com has sections for [online] music, greetings, games, shows, and new releases.<sup>2</sup>

Online gaming offers a wide variety of options, most of which are designed to appeal to younger males. Susan Kuchinskas explains that “they used to have a word for computer gamers: boys. But online gaming, an arena formerly dominated by so-called ‘hardcore’ games such as Quake and Doom, is broadening its horizons.”<sup>3</sup> The online gaming world covers three distinct areas: sites devoted to the major offline gaming systems, with tips (“hints/cheats”) on how to master them; actual online gaming sites, where users can play a wide variety of games, both singly and in groups; and alternative sites, devoted to education and learning, that incorporate online games.

### Cheat and Hint Web Sites for Games

Many of the online gaming sites are concerned with hints, “cheats,” walkthroughs, FAQs, and related information about offline games for the various gaming systems (e.g., Nintendo, PlayStation, Sega). The Internet seems to be the most popular way to uncover information about various secrets and hidden characters that designers put into their games. Sponsored sites and individuals’ personal Web pages list the most recent tips, tricks, and cheat codes for the most popular games. Sites that specialize in this type of information usually allow users to select information based on the game system or the game title. Cheat Code Central (Cheatcc.com), for example, offers the following categories of information for Sony’s PlayStation: codes, game descriptions, game endings, game manuals, release dates for upcoming games, game reviews, saved game files, and a video game store.<sup>4</sup>

### Entertainment-Based Online Gaming Sites

Entertainment-based gaming sites fall into five general categories: casino games (poker, blackjack, roulette, lotto); card games (solitaire, FreeCell, hearts); board games (dice, mahjongg, Monopoly); trivia games; and multiplayer games (Quake, Rainbow Six, Forsaken).<sup>5</sup> The popularity of many of

these sites derives from the chance to win “virtual money,” or tokens, that can be used in turn to win cash and prizes. On Pogo.com, for example, users can convert prize points they have earned playing online games into cash and prizes:

Tokens are our “virtual prize currency.” You can win (or lose) tokens through a number of our games. These tokens have no monetary value, but can be converted into prize drawing tickets for Pogo.com’s Daily, Weekly or Monthly prizes. The more tokens you win in our games, the more tickets you can “buy” to our drawings when you cash in your tokens.<sup>6</sup>

Internet users’ interest in online gaming is growing rapidly. Excite, the online portal owned by @Home, reports that its games area is the third fastest-growing source of new registrations on its site.<sup>7</sup> On an average day, there are between 20,000–60,000 online users playing simultaneously. The largest numbers of visitors typically play the casino games, solitaire, and a puzzle game called Poppit. These games require the user to register as an Excite member. Once the user has entered personal information (name, e-mail address, home address, date of birth, age), he or she is entitled to the Excite member benefits: free e-mail address, free business cards, chat, messaging, and offers for product information and service updates.<sup>8</sup>

The popularity and competitive nature of gaming sites have forced some sites, including IGN.com, to broaden their content in an effort to expand their audience base. In addition to the standard codes and cheats for gaming systems, it has added other topics of interest to its largely male audience, including movie and DVD reviews, sci-fi, wrestling, and “for men” (“Babes, cars, gear, and dating”). Other elements of the site are focused on bringing users back by providing a sense of connection and community. By logging in as a member, the user gains access to e-mail, newsletters, chats, and message board postings. Within the other content areas, users can chat or post their thoughts on a particular topic, ranging from the next WWF superstar to their favorite comic book. All of these attractions are designed to increase the likelihood that first-time users will become frequent visitors.<sup>9</sup>

### **Alternative Sites Aimed at Education and Learning**

Not all of the content on the Internet that uses gaming technology is purely for entertainment. Education-oriented sites may not draw as much online traffic as gaming sites, but they provide an interesting alternative. The online games section of Yahoo!igans includes a number of Web sites that educate kids about such topics as African traditions, recycling, the environment, politics, reporting, U.S. history, and the post office.<sup>10</sup> Similar educational sites assist large numbers of teens with online resources for school reports and homework.<sup>11</sup> Many public libraries have pages within their own sites that are devoted to links to other sites and topics on a variety of schoolwork-related issues.<sup>12</sup>

## Videogame Systems

The videogame console industry is aggressively seeking to become the consumer's all-in-one entertainment center. Once little more than a device for playing videogames, the newest generation of game consoles includes the capability to play music, view films, and surf the Internet.

The first of the next generation of game consoles to arrive in the marketplace was Sega's Dreamcast, launched in the United States in September 1999. Incorporating CD-ROM technology, the console not only allows users to play videogames, but also doubles as an audio CD player, enabling users to listen to their favorite music through the television set. Sega was also the first game maker to incorporate a modem in the console. Shipped with a dial-up 56K modem (and with the capability to upgrade to a broadband modem in the near future), the Dreamcast allows users to surf the Web, check e-mail, and access Sega's online gaming network, SegaNet.<sup>13</sup>

In October 2000, Sony introduced its follow-up console, PlayStation 2, to the U.S. market. Similar to Sega's Dreamcast, PlayStation 2 is more than a game machine, as it also can play music and DVD movies. While the console did not ship with a built-in modem, it does contain an expansion slot for a high-speed modem. The PlayStation 2 also has additional expansion ports for connecting digital video cameras and external drives, creating a PC-like device.<sup>14</sup>

Sega and Sony are only two of the players in the game console market. Nintendo and Microsoft released next-generation game systems for the 2001 holiday season. While Sega and Sony have focused on making all-in-one audio-video devices, Nintendo's next-generation console, GameCube, will focus solely on gaming.<sup>15</sup> Although the system will not be able to play CDs or DVDs, an add-on device will allow for modem connections, so users can participate in online gaming. Microsoft's Xbox includes a high-speed modem and can play DVD movies with a remote control add-on, and supports high-definition television (HDTV).<sup>16</sup>

Launched on August 1, 1981, MTV's basic cable channel currently reaches over 74 million households in the United States, targeting viewers aged 12 to 34 years old.<sup>1</sup> Since its inception, MTV has gradually expanded its entertainment services to become one of the leading providers of content for teenagers, both online and off. Describing itself as "a multidimensional youth brand that extends across virtually all media," MTV offers entertainment content in television, film, home videos, books, recordings, and consumer merchandise.<sup>2</sup>

MTV's holdings both on and offline are extensive. MTV Networks oversees a range of standard and digital cable channels that include MTV, M2, VH1, MTV X, MTV S, VH1 Classic, VH1 Soul, VH1 Country, TVLand, Nickelodeon, Nick at Night, Nick GAS, Nick Too, Noggin, TNN, and CMT. MTV Networks also produces television shows and movies for broadcast networks and first-run syndication through MTV Productions and MTV's Original Movies for Television, while MTV Films oversees the production of movies for theatrical release. MTV's online properties include MTV.com, VH1.com, and Sonicnet.com.<sup>3</sup> In July 2000, MTV was designated "the number one online music entertainment network reaching a total of 4.7 million unique visitors in June [2000]."<sup>4</sup>

Combining its various media holdings, MTV has created an interactive media experience for viewers of its network and users of its Web site. In February 2000, MTV devoted an entire week of programming to the impending convergence of television and Internet. During "@MTV Week," viewers of MTV were able to log on to the MTV.com site during shows to learn more about their favorite artists and to interact with the television programming. Interactive features included behind-the-scenes footage, live chats with artists, private guitar lessons with AC/DC guitarist Angus Young, and the debut of a new "interactive" music video. MTV.com users were also given the opportunity to "program" the channel by voting for their favorite videos for inclusion in such shows as "TRL," "Hot Zone," "Beat Suite," and "MTV Jams."<sup>5</sup>

MTV took its interactive offerings a step further in September 2000, when it launched a new music video show, Direct Effect (DFX). Viewers of the show could log on to the MTV.com Web site while watching and cast their vote for the next hip-hop video, from a pre-set group of three songs. MTV's president of programming, Brian Graden, described the move as "... sort of turning MTV into America's giant, sort of large, real-time jukebox."<sup>6</sup>

MTV's online properties also feature technologies that allow users to interact with and create new music. Through a deal with Beatnik, Inc., a developer of interactive audio technologies, MTV allows users of their sites to "create their own background music to guide them as they surf MTV sites, instantly preview new songs by simply rolling the mouse over artist graphics, remix tracks to create their own personalized versions of songs, and E-mail their creations to friends."<sup>7</sup> According to Lorraine Hariton, president and CEO of Beatnik, "Together, Beatnik and MTVi are introducing music fans on

MTV sites to immersive, interactive experiences that enable them to interact with top artists, create and remix music and be published in a Web-based community.”<sup>8</sup>

### **Unique Online Advertising Opportunities**

Along with creating new interactive experiences, MTV has also created unique advertising opportunities for online marketers. Through an agreement with iBeam Broadcasting, an Internet broadcast network provider, MTV allows users of Sonicnet.com to create their own online radio stations, reflecting their own personalized music interests. As part of the partnership, “MTVi has agreed to utilize iBEAM’s On-Target ad insertion platform to help derive revenue from their content. The iBEAM On-Target platform intelligently inserts streaming advertisements before, during, and after content, similar to traditional radio or television broadcasts. However, these commercials can harness the interactive nature of the Internet and can be targeted to individual users based on numerous demographic criteria.”<sup>9</sup>

MTV’s “WebRIOT,” “the first convergence show to incorporate online users with the live broadcast of studio contestants for prizes,” was typical of the kind of inclusive “airtight” environment that many sites seek to create.<sup>10</sup> The online game required users to download special software onto individual computers, and once the game was over, the browser sent the gamer to a chat room, where participants could talk about the game, their scores, or anything else. Thus participants found themselves in a thoroughly branded environment, with advertisements and multimedia promotions for MTV. Constant advertising went on within the closed setting of the game, and its sponsors, DoughNET and Ford, ran mini-commercials after play had ended. Once the last question was answered, the user was whisked away to promotions for the television show, the benefits of DoughNET, and Ford’s trendy new car, the Focus. During the game DoughNET was listed at the bottom of the screen as constant sponsor recognition.

More recently, MTV created another cross-promotional feedback loop in its “MTV 360” campaign, an effort to stimulate viewer interest in digital television and broadband modems. The campaign, according to the *Wall Street Journal*, “is designed to lure viewers from MTV to the MTV.com1 Web site to MTV2, with programming that links all three media. MTV already has been experimenting with program strategies aimed at sending its core audience of 12- to 34-year-olds from one channel to the next.”<sup>11</sup>

## Online Music

In 1999, an Internet service called Napster was launched to simplify the process of locating and downloading digital music files, using an approach known as “peer-to-peer” (as distinct from more centralized “client-server” systems). Napster allows Internet users to search other members’ hard drives for copies of musical works stored in the MP3 file format. The service, in effect, creates a massive database of millions of songs on personal computers in homes, dorm rooms, and offices around the world.<sup>1</sup> Napster.com eventually became the most popular entertainment site on the Web, with 2.47 million unique visitors per week.<sup>2</sup> Boasting at its peak some 200,000 downloads of the software each day, Napster became the fastest-growing program in the history of the Internet.<sup>3</sup>

Napster is especially popular among teens and college students, who tend to have interests in music and technology and access to fast Internet connections. An Angus Reid survey revealed that three-quarters of all college students use Napster at least once a month, and 19 percent of students reported using it daily.<sup>4</sup> Napster’s popularity is due to its ability to provide users with high-quality recordings free of charge. Users can search from among millions of recordings to find copies of almost any song they seek. Fans can even download entire CDs.

Napster quickly came under fire for copyright violations, however. The Recording Industry Association of America (RIAA) protested that the service violated the law by enabling the transfer of copyrighted material without payment to the artists or their recording labels.<sup>5</sup> A survey by the Pew Internet and American Life Project, on the other hand, revealed that digital music users did not consider downloading music without paying to be equivalent to theft. The study also indicated that users were not concerned with artists’ and labels’ copyrights. As a whole, teens seem unconcerned with the possibility of getting in legal trouble for copyright violations.<sup>6</sup> “So many people are doing it that I don’t worry about getting caught at all,” explained one New York City high school student.<sup>7</sup>

Although file sharing is rampant, it hasn’t seemed to reduce the numbers of traditional hard-copy music sales. According to RIAA statistics, shipments of recorded music increased in 1999, even following Napster’s introduction.<sup>8</sup> A study by Jupiter Communications revealed that Napster users were 45 percent more likely to have increased their music spending since the debut of the service.<sup>9</sup> While overall CD sales increased significantly, purchases plummeted at stores near college campuses where Napster use was most prevalent.<sup>10</sup> High school students also purchased less music in the past year than in previous years. Overall, music sales in 1999 increased six percent, but consumers 19 years old and younger dropped from 24.9 percent of buyers in 1998 to 21.1 percent in 1999.<sup>11</sup>

In late 1999, the RIAA filed a lawsuit against Napster, claiming that the Internet service violated copyright laws. In July 2000, the federal judge presiding over the case ordered that Napster be shut down because she found “overwhelming” evidence in the company’s business plans that the service was created to allow people to duplicate copyrighted music. “That was the whole reason for Napster’s existence,” said the judge.<sup>12</sup> Napster appealed this decision, and two federal appeals judges delivered



a last-minute reprieve, staying the injunction to shut down the Internet service. The news of this appellate decision sent Napster's Web traffic to an all-time high immediately after the announcement.<sup>13</sup> A subsequent decision, in March 2001, required Napster to install filters that would eliminate copyrighted files from its database.<sup>14</sup> In conjunction with Bertelsmann (BMG), one of the "big five" recording companies, Napster plans to launch a subscription service in 2001.<sup>15</sup>

Even if Napster is ultimately forced out of business, other programs to locate and share music files will likely take its place. One of these programs, called Gnutella, allows users to exchange movies, text, and photos, in addition to music files. Unlike Napster, these files are shared without going to a central directory. Without such a directory, this service is nearly impossible to shut down.<sup>16</sup> Another file-swapping service, Freenet, provides complete anonymity for online music sharers. Freenet enables users to pass files between individual computers, without identifying their source or destination.<sup>17</sup>

### **Additional File-Sharing and File-Swapping Programs**

Napster was not the only digital music service that found itself in the middle of a legal controversy. A service called MP3.com offered online music by storing 80,000 CDs that could be accessed only by users who could prove that they already owned the CDs. This service enabled users to listen to their CDs while at work, on vacation, or at other locations, without having to bring the actual CDs. Universal Music Group, the world's largest music company, argued in court, however, that MP3.com violated its copyrights by posting its CDs without the company's consent. A federal judge agreed in September 2000, and ordered MP3.com to pay \$25,000 per Universal CD. MP3.com has settled similar lawsuits with the four other major music labels—Sony, EMI, Warner, and BMG—and has vowed to appeal the Universal decision.<sup>18</sup> In April 2001, a federal jury ruled that MP3.com had to pay \$300,000 to TVT records, the largest independent label in the U.S., for copyright infringement.<sup>19</sup>

Myplay.com has developed a service that seems to offer online music storage without the copyright violations that have troubled MP3.com. Myplay, which boasts 2.5 million registered users, provides online storage space for users to upload music from their CDs to a password-protected server. This service enables its users to listen to their CDs from any location, although depending on connection speeds, the upload process can take several hours for users of slower, dial-up modems.<sup>20</sup> Other services are developing ways to provide music legally without requiring user fees. One such service, iNoize.com, recently launched a file-sharing network that offers streaming music. This service does not violate copyrights, because it provides music only through streaming audio and does not allow file copying.<sup>21</sup> In yet another variation on the theme of online music, Sprint PCS Group announced the "My Music" service, which will allow users to store up to two gigabytes (about 800 songs) that can be played over Samsung's Uproar phones, the first MP3 wireless phones available in the U.S.<sup>22</sup>

Many of the major recording companies have responded to the public's demand for downloadable music by offering digital downloading systems of their own. These systems provide users with the music they seek, while requiring a fee for each download. Universal Music Group, for example, began a system of selling Internet music downloads for \$1.99 each in August 2000. Sony, EMI Group, and Bertelsmann recording labels have launched similar services.<sup>23</sup>

## Web Radio Broadcasts

Despite the abundance of downloadable music, radio broadcasts have remained popular. Many radio stations around the world now use either Real Audio or Windows Media Player to stream their broadcasts through the Internet. Teens and other listeners can use the Web to tune into radio stations in distant cities or countries, widening the range of music available for them to explore. Yahoo! Radio is a search engine for such broadcasts, allowing users to select a type of music and then browse through links of available radio stations throughout the United States, each offering a Netcast of that particular type of music. Yahoo has signed a licensing deal with the RIAA that allows the Web portal to Netcast music from the association's music labels. The Netcasts are expected to use a pay-for-play format, in which Yahoo will pay RIAA each time a song by a participating artist is played.<sup>24</sup>

Other companies have begun to provide their own audio Netcasts. A once-popular entertainment portal for teens, iTurf.com, which closed its doors in November 2000, provided several "stations" of live streaming-audio Webcasts.<sup>25</sup> Users could select from a number of different programs available within different musical genres. Some stations offered streaming video as well, enabling the user to watch the station's DJ as he or she worked. Other Internet radio programs are available at Rollingstone.com, MTV.com, and VH1.com, among others.<sup>26</sup>

Some Web sites have even created services that allow users to create their own radio Netcasts. A service on Sonicnet.com gives Web users an opportunity to select preferred types of music and performing artists, and an online radio station will be created that caters to that user's interests. Users can also record their own personalized DJ greetings, and then e-mail the radio Netcasts to their friends.<sup>27</sup> Similar services exist on MP3.com and Launch.com.

Still other Internet sites use streaming technology to broadcast entire concerts online. These Internet sites take performances from nightclubs and concert halls and put them on the Web, with the intention of promoting new bands and generating merchandise revenue. A Webcasting service called the Digital Club Network offers several live concerts each day, as well as an extensive archive of previously recorded concerts.<sup>28</sup> Online concert Webcasts are also available at Rollingstone.com and House of Blues, among other sites.<sup>29</sup>

## Marketing to Teens: New Trends and Strategies

The advent of the Internet has provided marketers with a sophisticated tool to assist them in placing advertisements in front of teens at nearly every turn. Whether e-mailing or communicating via instant messaging, surfing online for information, watching their favorite teen television show, attending a music concert, or even attending school, teens cannot avoid the influence of advertising. The Internet reinforces the advertisements that teens view offline and introduces new forms of marketing that appeal to the tech-savvy teen's sense of adventure and curiosity. Marketers have also been successful at enticing teens to do their marketing for them in exchange for free T-shirts, CDs, or product discounts, using a variety of marketing techniques, both new and old, to pursue the teen demographic on- and offline.<sup>1</sup>

### Online Street Marketing

Used for some time in the offline world, the street marketing strategy—creating a “buzz” or below-the-radar awareness about a product—has translated well to the Internet. In the offline world, marketers or teens hired by marketers post flyers and distribute leaflets on the street or at music and sporting events in an attempt to raise awareness within the teen community about a new product or service. On the Internet, creating such a “buzz” about a new product can happen with unprecedented speed through message board postings, e-mail, and instant messaging.

These marketing campaigns “recruit youthful fans, then ply them with photos, background info and banner ads. They then leave the fans to spread the word—via fan site postings and e-mails—to like-minded teens, with e-mail lists sometimes supplied by the marketing agency.”<sup>2</sup> Widespread awareness by teens of a new band or CD may take only days or even hours as teens post messages and e-mail other teens who, in turn, spread the word even further.

Teens like to participate in online street marketing because they see their involvement in the promotion of a new CD and other product as a way of being part of a teen community. Mark Shiller, president and co-founder of the Internet entertainment marketing company ElectricArtists, finds that the excitement of being part of these marketing campaigns is sufficient reward for many teens, “They don’t want offers or 20 percent discounts on stuff... They want to be involved.”<sup>3</sup> This grassroots style of marketing allows teens to sell to their peers without what many teens describe as distasteful and insincere advertising hype. Peer influence is a very powerful force and an effective strategy for teen marketers.

### Viral Marketing

Similar to street marketing, viral marketing uses word of mouth to promote a product or service. Yet, unlike street marketing, which requires active participation, viral marketing quietly promotes products or services by including product information—“word-of-modem,” in effect, such as a clickable URL—with every communication sent from one user to another. This strategy has been prevalent among e-

mail and instant messaging services that have used it to build their businesses. For example, when a user of Hotmail, a popular, free e-mail service, sends an e-mail message to a friend, Hotmail advertising is embedded in the message. The e-mail contains a URL that the recipient can click on, which brings her to the Hotmail home page where the recipient can sign up for a Hotmail account. Although the service's or the product's user may not explicitly promote the particular product or service, the automatically embedded promotion information can imply endorsement.<sup>4</sup> While many online marketing practices are not specifically targeted to teens, teens are often the first to try new products and services online. Viral marketing is particularly influential in the teen demographic because teens may be more likely to sign on to a service that a friend uses.

### **"Free" Products and Services**

Free products or services are increasingly offered via the Internet as inducements for teens to disclose large amounts of personal information. Such services include Internet access, Web site hosting, e-mail, instant messaging, and various software applications.<sup>5</sup> Many of these services are accompanied by heavy advertising, and employ technology and practices, called datamining, that track the Web sites that a user visits. Such practices have raised serious privacy concerns.<sup>6</sup> Despite the questionable activities of marketers, teens may be more willing than adults to obtain free service in exchange for disclosing personal information or enduring advertisements online.<sup>7</sup>

NetZero, an Internet access provider and e-mail service, offers some of its services for free; however, the user's privacy is compromised in exchange for this service. NetZero does require parental consent for users under age 13, but also makes clear that it offers little privacy protection to older children: "We collect, use, and disclose information about children aged 13 to 18 in the same manner as we do for adults."<sup>8</sup> NetZero, which calls itself "the largest free Internet service provider in the world," began offering its service in October 1998.<sup>9</sup> It describes its service-for-free model on the NetZero Web site:

The ZeroPort, our members' personal "Speed Dial for the Web," can be moved anywhere on the screen, but cannot be closed, so it is always visible regardless of where a member travels on the Web. This enables advertisers to display targeted banners or messages the entire time the member is online. Subscribers to NetZero provide basic demographic and geographic information along with data on their hobbies and interests. Based upon this NetZero Profile, sponsors are able to precisely target the exact consumers they want to reach. This win-win situation enables both our members and our sponsors to benefit from ads that have been designed with the members' specific interests in mind.<sup>10</sup>

When teens sign up for services such as Net Zero, they often do not realize the privacy implications of trading personal information for a "free" product or service.

## **Cross-Marketing**

Marketers also have tapped into the synergistic effects of marketing products and brands across several media outlets, including the Internet, television, and film. When actors in a television program or film wear particular clothing brands or accessories, such as sunglasses, the product's marketing campaign will in turn promote the television program or film in which the product appears. Popular teen television programs and film Web sites then promote their tie-in products and brands online. For example, tie-in deals have been struck between clothier American Eagle and "Dawson's Creek," between clothier Tommy Hilfiger and the film "The Faculty," and between Levi Strauss and the film "The Mod Squad."<sup>11</sup> The now-defunct teen television program "Time of Your Life" conspicuously featured its star, Jennifer Love Hewitt, in Tommy Hilfiger brand clothing. The program star then made appearances at the Tommy retail stores.<sup>12</sup> MTV struck a deal with retailer K-Mart to promote K-Mart's Route 66 clothing line, using the cast of MTV's "Road Rules." Ads featuring the cast in Route 66 clothing aired during the program and at other times on the network. In addition, fans of the show could enter a contest at K-Mart stores to win a road trip of their very own, sponsored by Route 66.<sup>13</sup>

Such cross-marketing strategies as these amount to "advertainment"—nearly ubiquitous ad campaigns that continually bombard teens with product endorsements while they are being entertained, and that remind them of their favorite television programs and films as they shop.

## **Traditional Marketing Strategies Online**

In addition to all of these novel techniques, online marketers also use many of the time-tested strategies for marketing to teens that have been used for television, radio, and print media. For example, marketers use language and content, including slang, that is typically a couple of years beyond the age group they are targeting. As one industry publication advises, "Advertise up. Don't treat them like adults, but challenge them to a greater degree with 'older-skewing' humor, style messages and situations."<sup>14</sup> Music and video are also appealing to teens, and these elements are often prominent components of teen online marketing strategies. The impending broadband revolution will doubtless increase this trend, permitting multimedia-marketing campaigns that include more music and video. "Music has a strong emotional attachment for teens," explained a manager for a large telecommunications firm that has used music to market its products to teens. "We've found it draws them more actively into the promotion."<sup>15</sup>

## **School-Based Marketing**

Marketers' influence on teen consumption, increasingly pervasive in both family and social settings, does not stop at the classroom door. Products are promoted in schools in connection with health and hygiene materials, free school supplies, and various educational programs. Product endorsements for cereal, snack food, and hygiene products have been displayed on free book covers, while specific toothpaste brands have been touted in instructional films on oral hygiene.<sup>16</sup> Schools often agree to product promotion to help fund programs, obtain computer and telecommunications equipment and services, and secure basic learning materials, including books, for students. "You have schools

making exclusive deals with Dr Pepper and using the money to fund technology programs,” observed Ann Flynn, director of education technology partnerships for the National School Boards Association (NSBA).<sup>17</sup>

In the spring of 2000, AOL launched AOL@School, “a Web ‘environment’ with links to Internet sites tailored to specific grade levels.”<sup>18</sup> Though AOL does not advertise on the portals it provides for students through the AOL@School software, the AOL@school logo is displayed continuously at the top of students’ computer screens, promoting the AOL brand.<sup>19</sup> The portion of AOL’s service tailored for teachers and administrators, however, does include advertising.

Advertisers who can position their products in schools can influence children’s current and future purchasing decisions, as well as the power children assert over their parents’ purchasing decisions. These advertisers have the most important advantage over others—a captive audience. Increased in-school advertising has raised serious ethical concerns about the intersection of education and commercialism, and led to the introduction of the Student Privacy Protection Act. The bill, part of the Elementary and Secondary Education Act, would require schools to get parental permission before companies involved with the schools could collect or distribute marketing data on students.<sup>20</sup>

While the degree to which products are promoted in schools varies, some promotions have blurred the line between advertising and content to the extent that what children are learning may be skewed in favor of a particular sponsor. For example, “workbooks that address global warming subtly steer class lessons in directions advantageous to the sponsor.”<sup>21</sup> Concluded a professor of education at Wheelock College, “The industry says parents need to decide what’s appropriate... but then they go about using every marketing ploy they can to make it harder [for parents] to assert their authority.”<sup>22</sup>

## **Studying the Teen Demographic: “Explorers,” “Visibles,” and “Isolators”**

---

As academic researchers struggle to keep up with the pace of “Internet time,” a growing network of market research companies has already become an established and integral part of the new-media world. By incorporating the theories and research of adolescent development into an array of sophisticated tools for probing the minds and actions of this valuable demographic group, a number of companies have made teenagers a major target for the new-media technologies.

Market research on this age group has grown significantly over the past several years, with dozens of marketing and trend-analysis firms producing highly expensive, specialized reports with the latest information on the interests, tastes, and behaviors of this valuable group. Teenage Research Unlimited (TRU), Roper Starch World Wide, Zandl, Kalorama, and Cheskin Research are only a few of the many companies that take part in this burgeoning industry. These “youth market” specialists employ a wide range of sophisticated research methods, including focus groups, online surveys, and the use of anthropologists to study teen subcultures in an effort to gain a better understanding of how adolescents relate to new media. Some have developed unorthodox methods for penetrating the youth subculture, including hosting slumber parties for teen girls to “meet children on their own terms” and to “build trusting relationships with the girls.”<sup>1</sup>

Market researchers have devised entire lexicons of categories for describing teens. A recent report by the Cheskin Research and Cyberteens.com (“Teens and the Future of the Web”), for example, identified and profiled five “distinct teen segments based on attitude, behavior and conformity”: Explorers, Visibles, Status Quos, Isolators, and Non-teens.<sup>2</sup> “Explorers,” according to the report, are a very small but highly influential group of creative and independent individuals who are “passionate and committed to the interests and issues around which they build their identities.” The labels that other teens use most frequently to describe such teens, noted the study, include “Ravers,” “Goths,” “Weirdos” and “Freaks.” As key trendsetters among the younger population, this segment is particularly important for marketers to monitor, especially since they change “rapidly and repeatedly.” “Visibles” are the most popular and well-known group of teens, although not always liked by their peers. Representing 20 percent of the teen demographic, they are not as well represented on the Internet, according to the report, and thus “attention must be focused on attracting more of this segment.” “Non-teens,” on the other hand, are the most atypical of teenagers, “whether due to lack of social skills, an indifference to teen culture and style, or an intense interest in academics.” Non-teens are often referred to as “Nerds,” “Dorks,” and “Geeks.”<sup>3</sup>

The proliferation of teen market research companies has paralleled the rise of teens as a lucrative target market. Though teens may be more easily accessible via the Internet, they are also savvy about being overtly targeted, presenting marketers with significant new challenges. As one observer has noted, “The young group has proven to be both elusive and fickle, possessing a media savvy unlike previous generations of teens.”<sup>4</sup>



At the same time, there is enormous potential for the teen e-commerce market—63 percent of online 13- to 24-year-olds interviewed by Harris Interactive said they will spend more online in the future than they do today. Having nearly instant online access to information about products and pricing, teens are more inclined than adults to research products online before they buy them in traditional, “bricks and mortar” outlets.<sup>5</sup> Teens are also more likely to expand the range of what they purchase online faster than adults. Most adult online consumers begin purchasing items such as books or CDs, then gradually move to purchasing replenishment goods, including groceries, toiletries, and medications, up to two years later. Teens typically begin purchasing replenishment goods only six months after they begin purchasing online.<sup>6</sup>

Since teens adopt new technology at a rapid pace, marketers have recognized the benefits of building brand loyalty at an early age, especially through the new media. As a core strategy to the principle of “cradle-to-grave marketing,” the development of “brand loyalty” among children and teens has become axiomatic among marketers in recent years. The Internet, explains one report, “creates an opportunity [for marketers] to interact with [teens]. Teens are really starting to find and lock in on their brand affinities at that age, so this is a great time to get in front of them.”<sup>7</sup> While some marketers claim that the concept of “brand loyalty” is waning as marketing moves to the Internet, there is evidence that brand loyalty among teens for products such as health and beauty aids remains strong, as does brand loyalty for jeans and sneakers.<sup>8</sup> “Branding” has become a pervasive theme in the digital media, too. Media companies refer to themselves as brands; even public television refers to the PBS “brand.” When speaking of strategic alliances and partnerships, companies refer to the practice as “sharing each others’ brand space.”

Market researchers are also grooming the next generation of teens by fostering the development of an active “tween” culture with its own cultural icons, media symbols, and product categories. “Tweens are the brightest star in the consumer constellation,” explained James McNeal, one of the academic gurus of child and adolescent market research.<sup>9</sup> “Tweens” are those pre-teenagers (between the ages of 8 and 12) who “copy teens as their model for living.” Caught between being a child and becoming a teenager, the more than 23 million tweens in the U.S. are considered a particularly important target market because of their strong desire to enter the teen culture, and their increasing spending power. In 1999, tweens spent \$55.7 billion and influenced another \$250 billion.<sup>10</sup>